



# County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101  
<http://cao.lacounty.gov>

DAVID E. JANSSEN  
Chief Administrative Officer

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

November 21, 2006

To: Each Department Head

From: David E. Janssen  
Chief Administrative Officer

## FISCAL YEAR 2007-08 DEPARTMENTAL BUDGET INSTRUCTIONS

The 2007-08 Budget Instructions are now available online at <http://mylacounty.info/dbi/> to assist you in preparing your budget submission. The necessary forms needed for your budget submission are also downloadable from the website. These instructions fully integrate the requirements of this office and also include the Business Automation Plan (BAP) Instructions from the Chief Information Office (CIO).

Departments are to submit their budget requests to this office as indicated in Exhibit A, which provides for staggered submissions between January 11, 2007 through February 8, 2007.

Each budget submission should include an official budget request reflecting unmet needs, and a base budget. Departments are to develop their base budgets reflecting the net County cost included in their fiscal year (FY) 2006-07 Final Adopted Budget as of September 26, 2006.

At this time, budget reductions are not required. Departments are to continue assessing their program priorities and ensure that current operations are efficient.

Departmental requests are to continue assuming no growth in gross appropriation *unless* the growth is offset by a reliable revenue source. Particularly, central service departments should not expand any of their services and transfer the increased costs to receiving departments. Also, requests for additional positions will be subject to stringent review and departments should be prepared to provide additional supporting documentation indicating that new positions requested are funded by ongoing revenue.

As in the past, we plan to schedule department budget hearings with our office primarily in the month of February 2007. These hearings may include staff from the CIO when necessary. These hearings are opportunities for departments to discuss critical unmet needs, funding issues, program savings, and revenue initiatives.

Highlights to the 2007-08 departmental budget instructions include the following:

- The eCAPS Budget Prep (BP) System opened in late October 2006 to Phase I Departments. These departments are now able to use the system to enter their FY 2007-08 Proposed Budget Requests. Phase I departments are still required to submit 13 hard copies (original plus 12 copies) of their budget request to our office by their due date.
- For departments not participating in Phase I, it is business as usual. These departments will continue to submit their FY 2007-08 Proposed Budget Requests in the normal manner. CAO budget analysts will input their budget requests in the eCAPS BP System. During the FY 2008-09 Proposed Budget, all departments will be using the new budget system to submit their budget requests.
- The Budget Augmentation Request form (Exhibit F) is new for the FY 2007-08 Proposed Budget and has been developed for increases in new positions and/or requests for increased funding levels in excess of the department's base budget. A separate Budget Augmentation Request form must be completed for each augmentation request. The form will assist our CAO budget analysts in their review of how the program augmentation correlates to the department's organization goals and priorities and how it also supports the County's Strategic Plan Goal(s).
- Another new form, Information Technology Program Summary (Exhibit H) has been developed to assist the Chief Information Office to validate the information reported in the Business Automation Plan. This new exhibit will be required as part of the department's budget submission.
- For the 2007-08 Proposed Budget, all County departments will be required to align and fully integrate their *Performance Counts! (PC!)* performance measures with their program budget. Accordingly, all departments will now present their departmental program summary and performance measures in the new format (Exhibits C-1 and C-2).

- Departments are also expected to continually refine the number of programs with *PC!* measures with the goal of having measures for its major programs. In line with this, departments are expected to update program budget information for the *PC!* performance measures throughout each phase of the budget cycle (Proposed, Final Changes, Board Deliberations and Supplemental Resolution). Phase I departments will submit their updates directly online using the eCAPS BP System while all other departments will notify their CAO budget analysts of the changes.
- The Message Copy template (Exhibit C) and the Departmental Program Summary and Performance Measures template (Exhibit K) have both been modified to conform to new software requirements for publishing the Proposed Budget books. **Please ensure that your department utilizes the updated forms (Exhibit C and Exhibit K) for the budget submission.**
- The Children and Families' Budget (CFB) is currently being restructured to transition from a departmental program inventory to a more analytical, integrated, performance-based budget report aligned around the Goal 5 outcomes: Good Health; Safety and Survival; Economic Well-Being; Social and Emotional Well-Being; and Education/Workforce Readiness. An abbreviated, modified version will be issued as an addendum to the FY 2007-08 Proposed Budget and will include performance measurement data only; a second, more substantial version will be released following the issuance of the Final FY 2007-08 Budget at the end of 2007, which will include budgetary data. Departments are to continue tracking departmental performance to improve Goal 5 outcomes for children and families. If you have any questions or need additional information, please contact Lesley Blacher at (213) 974-4603 or at [lblacher@cao.lacounty.gov](mailto:lblacher@cao.lacounty.gov).

Departments are to ensure compliance to the following when developing FY 2007-08 budget requests:

- Departments are required to develop their budget submissions using the electronic files as instructed. If departments do not have the necessary software and are unable to purchase a copy, they should contact their CAO budget analyst so arrangements can be made to create the documents with the appropriate software.
- Departments are required to reflect an Estimated-Actual column that includes the latest projections and budget adjustments that have been processed.

Each Department Head  
November 21, 2006  
Page 4

Copies of the budget instructions and electronic files are also available on compact disc (CD) on a request basis. If you would like a CD version, please contact Anna Hom-Wong at (213) 893-2295 or via email at [ahomwong@cao.lacounty.gov](mailto:ahomwong@cao.lacounty.gov).

Your CAO budget analyst is available to work with your staff to resolve any questions or issues that you may have. In addition, we request that your staff share draft materials early with your CAO budget analyst in order to provide a better opportunity for this office to address the relevant budget issues and to meet the fiscal year 2007-08 budget calendar.

Thank you for your cooperation.

DEJ:DL:SK  
EC:AHW:ljp

Attachments

c: Each Supervisor

budget inst. 07-08.m